

### COMMUNITY DEVELOPMENT COMMISSION

of the County of Los Angeles

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Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich

Sean Rogan Executive Director

February 04, 2014

The Honorable Board of Commissioners Community Development Commission County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Commissioners:

# **ADOPTED**

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

1-D February 4, 2014

SACHI A. HAMAI EXECUTIVE OFFICER

# APPROVE TRANSFER OF THE GLORIA MOLINA PARA LOS NINOS CHILD DEVELOPMENT CENTER SITE IN UNINCORPORATED EAST LOS ANGELES FROM THE COMMUNITY DEVELOPMENT COMMISSION TO THE COUNTY OF LOS ANGELES (DISTRICT 1) (3 VOTE)

#### SUBJECT

This letter recommends transfer of the Gloria Molina Para Los Ninos Child Development Center site from the Community Development Commission (Commission) to the County of Los Angeles (County). The site is located at 4824 Civic Center Way in unincorporated East Los Angeles.

#### IT IS RECOMMENDED THAT THE BOARD:

- 1. Authorize the Executive Director or his designee to execute a Quitclaim Deed, an Assignment of Lease to the County and all related documents to transfer the Gloria Molina Para Los Ninos Child Development Center site, located at 4824 Civic Center Way in unincorporated East Los Angeles, from the Commission to the County (Property).
- 2. Authorize the Executive Director or his designee to return excess funds of up to \$284,000 to the County for the long term operating repairs and maintenance of the Property.
- 3. Find that the transfer of the Property and funds is not subject to the provisions of the California Environmental Quality Act (CEQA) because the activity is not defined as a project under CEQA.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to transfer the Property, assign the existing long term lease with Para

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Los Ninos, the current child care operator, and transfer the remaining project funds of up to \$284,000 to the County in order for the County to own, maintain and manage this Property over the long term.

#### FISCAL IMPACT/FINANCING

On June 20, 2005, the Commission received \$2,100,000 in First District Capital Project net County cost funds to assist with the planning and design activities for the child care center at the southeast corner of Mednik and Civic Center Way.

On February 13, 2007, \$1,950,000 was transferred from the Mayberry Park Senior Center to this same project for construction costs. On May 1, 2007 the Board approved an additional \$400,000 from Project and Facilities Development budget for the same purpose.

Construction was completed in October 2008, and approximately \$284,000 in surplus funds remain in this project. These surplus funds will be transferred back to the County to assist with long term operating repairs and maintenance.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Included as an element of the Master Plan for the East Los Angeles Civic Center, construction of the Property was completed in October 2008. The Property is comprised of a 6,200 square foot building with 4 parking spaces on site, and 14 off-site parking spaces located on County-owned property just north of 4824 Civic Center Way. The site is currently being leased to Para Los Ninos, a nonprofit that provides child care support services, under a 15 year lease that can be renewed in the year 2024 for one additional five-year term. Rent under the lease is \$1 per year. This facility can provide child care support services for up to 88 children. Upon Board approval, the Executive Director and the Chief Executive Officer will execute the Assignment of Lease, attached in substantially final form, to assign the lease with Para Los Ninos from the Commission to the County.

The Commission will return the remaining funds of up to \$284,000 to assist with long term operating repairs and maintenance. The County may also designate additional funding sources to assist for long term operating repairs and maintenance, if needed.

Upon Board approval, the Executive Director will sign the Assignment of Lease and present the executed Quitclaim Deed to the County's Chief Executive Office (CEO) for acceptance of the deed prior to recordation. Section 2.08.168 of the County Code allows the CEO to accept and consent to the recordation of any deed conveying an interest upon real property to the County. The CEO Real Estate Division will handle the acceptance of the Assignment of Lease and the Quitclaim Deed by the Director of Real Estate, who is authorized to accept the lease and deed on behalf of the CEO pursuant to Section 2.08.167 of the County Code.

#### **ENVIRONMENTAL DOCUMENTATION**

This property transfer is Categorically Excluded from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (a)(5) because it involves disposition of property that will not have a physical impact on or result in any physical changes to the environment.

The property transfer is not a project pursuant to CEQA because it is an activity that is excluded from

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the definition of a project by Section 15378 (b) of the State CEQA Guidelines. The proposed action is an administrative activity of government which will not result in direct or indirect physical change to the environment.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The transfer of the Property and funds from the Commission to the County will allow the County to own, maintain and manage this community asset coordinated with the management of the surrounding County-owned East Los Angeles Civic Center over the long term.

Respectfully submitted,

**SEAN ROGAN** 

**Executive Director** 

SR:krs

**Enclosures** 

#### ASSIGNMENT OF LEASE

This Assignment of Lease ("Assignment") is entered into by and between the **County of Los Angeles Community Development Commission**, a public body, corporate and politic ("Commission and/or "Assignor") and the **County of Los Angeles**, a body corporate and politic, ("County and/or Assignee") is entered into the \_\_\_\_day of January, 2014 (the "Effective Date").

#### **RECITALS**

WHEREAS, by a certain lease and associated addenda dated May 1<sup>st</sup>, 2009 (the "Lease"), the Commission leased to Para Los Niños, a California nonprofit corporation (the "Tenant"), the property consisting of a building and land located at 4824 Civic Center Way, East Los Angeles more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (collectively, the "Property"); and

WHEREAS, Commission desires to transfer the Property to County and, acting as Assignor, desires to assign to County the Lease; and

WHEREAS, County acting as Assignee, desires to assume all of Assignor's rights and obligations as landlord under the Lease.

NOW THEREFORE, in consideration of the terms and conditions set forth herein and the foregoing recitals, each of which is deemed a contractual part hereof, the parties hereto do agree as follows:

- 1. Assignment, Assumption and Consent. Assignor hereby assigns and delegates to Assignee, and Assignee hereby accepts and assumes from Assignor, all of Assignor's rights, title, interest and obligations, under the Lease with respect to the Property, which rights and obligations are more particularly described in said Lease. Without limiting the foregoing, Assignee hereby agrees, for the benefit of Assignor, to perform all of the obligations under the Lease that relate to the Property. Assignor hereby assigns the Lease and all of its right, title and interest thereunder to Assignee. Assignee hereby accepts such assignment.
- 2. <u>Representations.</u> Assignor hereby represents and warrants that except as otherwise disclosed herein, it has not previously assigned, pledged, hypothecated or otherwise transferred any of its rights under the Lease.
- 3. <u>Assumptions.</u> Assignee hereby assumes and agrees to be bound by all of Assignor's obligations under the Lease. Assignee shall perform all the terms, covenants and conditions of the Lease, including the acceptance of rent and any other required amounts as landlord, after the date hereof.

4. <u>Indemnification.</u> Assignor agrees to indemnify, protect, hold harmless and defend Assignee and its Special Districts, and its elected and appointed officers, agents and employees, from and against all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of or related to: (a) Assignor's failure to perform any obligations under the Lease hereby assumed by Assignee, and (b) site conditions of the Property that accrued, or incidents that occurred, prior to the date of this Assignment.

Assignee agrees to indemnify, protect, hold harmless and defend Assignor, its elected and appointed officers, agents and employees, from and against all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of or related to: (a) Assignee's failure to perform any obligations under the Lease hereby assumed by Assignee, and (b) site conditions of the Property that accrue or incidents that occur after the date of this Assignment.

5. <u>Notices.</u> Formal notices, demands and communications between the parties shall be sufficiently given and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the principal offices of the party to whom notice is to be given. The principal offices are as follows:

If to Assignor: Community Development Commission

of the County of Los Angeles

700 W. Main Street Alhambra. CA 91801

Attn: Karen Ramirez, Facilities Manager

If to Assignee: County of Los Angeles

Real Estate Division

222 South Hill Street, 3rd Floor

Los Angeles, CA 90012 Attn: Christopher M. Montana

Acting Director of Real Estate Division

- 6. <u>Governing Law.</u> The Assignment shall be interpreted under and be governed by the laws of the State of California, except for those provisions relating to choice of law or those provisions preempted by federal law.
- 7. Entire Agreement. This Assignment is the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, between the parties with respect to the matters contained in this Agreement. Any waiver, modification, consent or acquiescence with respect to any provision of this Assignment shall be set forth in writing and duly executed by or on behalf of

the party to be bound thereby. No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

- 8. <u>Counterparts.</u> This Assignment may be executed in counterparts by the parties hereto, each of which shall be deemed to be an original, and all such counterparts shall constitute but one and the same instrument.
- 9. <u>Further Assurances.</u> Each of the parties agrees to execute further and supplemental instruments as may be requested by another party to effectuate the purposes and intent of the Assignment.
- 10. <u>Third Party Beneficiaries.</u> No third party shall have any rights under this Assignment.

IN WITNESS WHEREOF, this Assignment has been entered into effective as of the Effective Date.

ASSIGNOR	: Com	munity Development Commission of the Co	ounty of Los Angeles
	BY:	Sean Rogan Executive Director	
ASSIGNEE:	Cour	nty of Los Angeles	
	BY:	William T Fujioka Chief Executive Officer	
APPROVED	AS T	O FORM:	
John F. Kra County Cou			
By: Depu	ıty		